

VZCZCXRO0657
RR RUEHMA RUEHPA
DE RUEHOS #0631 2611453
ZNR UUUUU ZZH
R 181453Z SEP 07
FM AMCONSUL LAGOS
TO RUEHC/SECSTATE WASHDC 9412
INFO RUEHUJA/AMEMBASSY ABUJA 9188
RUEHRC/DEPT OF AGRICULTURE USD WASHDC
RUEHZK/ECOWAS COLLECTIVE
RUEAIIA/CIA WASHINGTON DC
RHEFDIA/DIA WASHINGTON DC

UNCLAS LAGOS 000631

SIPDIS

SIPDIS

STATE FOR AF/W
STATE FOR INR/AA

E.O. 12958: N/A

TAGS: [EAGR](#) [SOCI](#) [NI](#)

SUBJECT: LAGOS BAKERS ASSOCIATION ENDS BREAD STRIKE

11. (U) Summary: Small and medium-sized bakeries in southern Nigeria ended their strike over rising wheat prices. Post-strike prices for a loaf of bread have risen 33 percent. While no violence accompanied the strike, it served to highlight the continuing economic squeeze felt by the average Nigerian.

Bread Costs More, as Bakers Suspend Strike

12. (U) On August 26, the Master Bakers Association of Nigeria (MBAN) in Lagos State suspended its week-long bread strike which shuttered many small and mid-sized bakeries in the region. The strike was called in response to higher input prices; primarily wheat flour which has risen sharply in the face increased worldwide demand and fuel prices and poor harvests in some producer countries.

13. (U) Consumers now pay 15 to 20 naira more for bread following the suspension of the one-week strike. A loaf of bread that previously cost 60 naira now costs 80 naira while a standard loaf of sliced bread which used to cost between 100 and 120 naira, now goes for 140 naira. Whole wheat bread now sells for 160 naira compared to 140 naira before the hike. It is rare to find a bread loaf that costs below 40 naira. For reference, the average Nigerian survives on about 250 naira per day.

14. (U) During the strike, the usual piles of bread at stalls along busy Lagos roads dwindled significantly and available ones sold at marked up prices. Loaves which used to cost 140 and 160 naira were sold for 180 and 210 naira respectively, priced beyond the reach of many consumers. Local press reported the impact of the bakers' strike was mostly felt in cities like Lagos, Port Harcourt and Onitsha. There have been no reports of street protests or violence like those that accompanied the aborted gasoline price hikes in July.

.....
Do Something, Anything
.....

15. (U) A Lagos bakery owner, Mrs. Abifarin told EconSpec that prices of all bread ingredients have been on the rise in recent times; but sugar and wheat flour prices rose the most. She said she paid 4,000 naira per 50 kilogram bag of flour barely a week after purchasing the same quantity for 3,000 naira. While acknowledging that flour millers were merely transferring the high cost of importing the product, she berated the lack of consultation with bakers, who are their primary customers. Mrs. Abifarin noted that consumers now see bakers as inconsiderate for the increase in bread prices, though they are powerless to reverse the trend. She predicts that prices of confectioneries are likely to rise as well if the government of Nigeria (GON) does not do "something"; though she was not clear on what she thought the government could do.

16. (U) Comment: To the average Nigerian, bread is a staple food, ready to eat and affordable. As such, this is a real and painful

day to day issue for many, if not most, Nigerians. The clamor for the GON to do "something" has been loud but vague. Still, rising bread prices are another poignant reminder that in a country blessed with an abundance of petroleum in a time of record oil prices, the average Nigerian continues to face economic hardship. End comment.